

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6 1445 ROSS AVENUE, SUITE 1200 DALLAS, TX 75202-2733

JUN 0 9 20101

Ms. Jessie Muir Mail Stop T7-E30 U.S. Nuclear Regulatory Commission Washington, DC 20555-0001

Dear Ms. Muir:

In accordance with our responsibilities under Section 309 of the Clean Air Act, the National Environmental Policy Act (NEPA), and the Council on Environmental Quality regulations for implementing NEPA, the U.S. Environmental Protection Agency (EPA) Region 6 office in Dallas, Texas, has completed its review of the Draft Environmental Impact Statement (DEIS) for the Combined Licenses (COLs) for South Texas Project (STP) Electric Generating Station Units 3 and 4. This DEIS has been prepared in response to an application submitted to the U.S. Nuclear Regulatory Commission (NRC) by STP Nuclear Operating Company (STPNOC) for combined construction permits and operating licenses. The proposed actions related to the STPNOC application are (1) NRC issuance of COLs for two new nuclear power reactor units at the STP site in Matagorda County, Texas, and (2) U.S. Army Corps of Engineers (Corps) issuance of a permit to perform certain construction activities on the site. The Corps is participating in preparing this EIS as a cooperating agency and participates collaboratively on the review team.

This DEIS includes the review team's analysis that considers and weighs the environmental impacts of building and operating two new nuclear units at the STP site and at alternative sites, and mitigation measures available for reducing or avoiding adverse impacts. The DEIS includes the evaluation of the proposed action's impacts to waters of the United States pursuant to Section 404 of the Federal Water Pollution Control Act (Clean Water Act) and Section 10 of the Rivers and Harbors Appropriation Act of 1899. The Corps will conduct a public interest review in accordance with the guidelines promulgated by the U.S. Environmental Protection Agency under authority of Section 404(b) of the Clean Water Act. The public interest review, which will be addressed in the Corps' permit decision document, will include an alternatives analysis to determine the Least Environmentally Damaging Practicable Alternative.

After considering the environmental aspects of the proposed action, the NRC staff's preliminary recommendation to the Commission is that the COLs be issued as proposed. This recommendation is based on (1) the application, including the Environmental Report (ER), submitted by STPNOC; (2) consultation with Federal, State, Tribal, and local agencies; (3) the review team's independent review; (4) the consideration of public scoping comments; and (5) the assessments summarized in this EIS, including the potential mitigation measures identified in the ER and this EIS. The Corps will issue its Record of Decision based, in part, on this EIS.

EPA offers the following comment for your consideration in the development of the Final EIS and asks that this comment be responded to in that document.

1. Regarding potential wetland impacts, EPA suggests that all wetland sites be clearly marked, posted, flagged and/or fenced prior to construction. Such actions should prevent accidental or operator error impacts during construction. Once the project is completed, EPA recommends that a post construction review be held to ensure wetland impacts were avoided.

EPA rates the DEIS as "LO", i.e., EPA has a "Lack of Objections" to the proposed action described in the DEIS. Our rating of this DEIS will be published in the Federal Register according to our responsibility under Section 309 of the Clean Air Act to inform the public of our views on proposed Federal actions. If you have any questions, please contact Michael Jansky of my staff at (214) 665-7451 or by e-mail at iansky.michael@epa.gov.

EPA appreciates the opportunity to review the DEIS. Please send our office two copies of the Final EIS when it is sent to the Office of Federal Activities, EPA (Mail Code 2252A), Ariel Rios Building, 1200 Pennsylvania Ave, N.W., Washington, D.C. 20460.

Sincerely yours,

Cathy Gilmore, Chief Office of Planning

and Coordination 6ENXP